



State of Utah

Department of
Natural Resources

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Division of
Oil, Gas & Mining

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Lieutenant Governor

October 20, 2004

Michael Terry
Anasazi Gold Reserves
c/o North American Exploration
472 North Main Street
Kaysville, Utah 84037

Subject: Closure of Small Mine and Exploration Permits, Anasazi Gold Reserves, Highland Mist (S/021/035) and Pangreen (E/021/037), Iron County, Utah

Dear Mr. Terry:

On April 14, 2004 the Division received your Notice to Commence Small Mining for the Highland Mist and Notice to Conduct Exploration Activities for the Pangreen Project. During our review of your applications it was noted that the Highland Mist Mine would require an archaeological study. Also, final approval of the small mine application would require a \$14,000 bond and the exploration project would require a \$5000 bond. We requested that this work be completed by June 21, 2004. Two requests for extension have been received from Anasazi since that time. One to extend the deadline to August 1 and another to further extend the deadline until October 1, 2004. Since your last request for an extension, there has been no further correspondence from Anasazi.

Because no information or the required bond amounts have not been received within our filing deadline, the Division will at this time close both of these permits.

If Anasazi wishes to renew the mining ventures in these areas, you will need to file new applications with this office and BLM. We also have recently been notified that the SITLA lease being held by Azasazi for this area has been canceled. To obtain right-of-entry, the lease with SITLA will also need to be renewed.

If you have any questions concerning this matter, you may contact me at (801) 538-5325 or Doug Jensen at (801) 538-5382.

Sincerely,

Daron Haddock
Permit Supervisor

dj:jb

cc: Ed Ginouves, BLM, Cedar City FO
Will Stokes, SITLA
Doug Jensen, DOGM

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